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*Passionately and responsibly working to
improve the quality of life for all San Diegans*

NEWS RELEASE

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Faulconer Criticizes MWD's Proposed Pension Hike

A proposed Memorandum Of Understanding coming before the Metropolitan Water District Board of Directors would retroactively increase pension benefits for MWD employees by 25 percent – a staggering number given the current financial situation the City of San Diego is facing.

MWD costs would increase, meaning San Diegans would see higher water rates to cover those costs. MWD is essentially the chief water supplier in Southern California.

Faulconer, who chairs the Audit Committee, strongly believes negotiated MOUs must not push costs out to future generations.

If approved, MWD's increased pension benefits for existing employees could not be eliminated. Other benefits, such as employee funding of retiree healthcare and vacation days, can be renegotiated.

"Years ago, San Diego essentially granted additional retirement benefits without an adequate funding source, and now a large portion of the City's General Fund pays for those benefits," Faulconer said. "Through numerous reforms, we are beginning to dig ourselves out from under this liability."

"We have scaled back retiree medical care and pension benefits, and we reduced employee compensation by 6 percent this year," Faulconer added. "Cities and counties throughout California also are renegotiating employee benefits in an effort to reduce costs, and the MWD must do the same."